



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
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IOWA COLLEGE STUDENT AID COMMISSION
KAREN MISJAK, EXECUTIVE DIRECTOR

February 14, 2006

Members, Education Appropriations Subcommittee
State Capitol
Des Moines, Iowa 50319

Dear Committee Members:

Thank you for the opportunity to present information to the Subcommittee. We appreciate your support for Iowa college and university students through the scholarship, grant, and loan programs administered by the Commission.

Subcommittee Members asked for additional information on four topics. This memo provides a response to those requests.

1. Teacher Shortage Forgivable Loans.

In 2005, there were 209 applicants who did not receive the award. One hundred two were not certified by the college or university. Those not certified demonstrated an interest in the program but were outside the current award parameters. They may be first-year students or they may not have educational goals that are within the shortage area list. Staff estimates that federal funds may not be available after the 2006-07 year.

2. The historical and projected summary of Federal vs. State appropriations for teachers suggests a decline in Federal funding in 2006–2007 with no projected funding in 2007–2008.
3. An updated table shows the graduation rates for all Iowa colleges and universities that participate in programs administered through the Iowa College Student Aid Commission.
4. A longitudinal study of Iowa scholarship and grant recipients was published in 2003. The report, which is attached, shows the income characteristics of scholarship and grant recipients across 17 years after entry into the workforce.

If you need additional information about the topics, please feel free to contact me or Dr. Keith Greiner who prepared the materials. We may be reached at 242-3344.

Sincerely,

/s/ Karen Misjak

Karen Misjak
Executive Director

KM:mjp
Enclosures

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**Teacher Shortage Forgivable Loan
Historical Summary**

<u>Year</u>	<u>Appropriations and Collections (Dollars)</u>				<u>Awards</u>			
	<u>Federal</u>	<u>State</u>	<u>Collections</u>	<u>Total</u>	<u>Federal</u>	<u>State</u>	<u>Collections</u>	<u>Total</u>
2001-2002	400,000	472,279	6,558	878,837	142	179	3	324
2002-2003	762,324	472,279	54,565	1,289,168	266	172	19	457
2003-2004	940,000	460,472	102,049	1,502,521	333	165	35	533
2004-2005	807,422	460,472	91,226	1,359,120	292	175	31	498
Projected 2005-2006	957,969	285,000	192,000	1,434,969	342	104	64	510
Projected 2006-2007	650,000	285,000	192,000	1,127,000	232	104	64	400
Projected 2007-2008	-	285,000	192,000	477,000	-	104	64	168
TOTALS	4,517,715	2,720,502	830,398	8,068,615	1,607	1,003	280	2,890

Note: Federal and State dollars are from appropriations.

C:\...[Teacher Shortage Areas 2005 - 2006 on 01- 23-2006.xls]Historical -- Keith Greiner

C:\...[Federal Awards updated 1 30 2006A.xls]Sheet1 -- Matt Brown

Teacher Shortage Forgivable Loans
Historical Awards
2003 - 2004 to 2005 - 2006

	2003 - 2004				2004 - 2005				2005 - 2006			
	<u>Applications per Specialty</u>	<u>Received Award</u>	<u>No Award</u>	<u>Percent No Award</u>	<u>Applications per Specialty</u>	<u>Received Award</u>	<u>No Award</u>	<u>Percent No Award</u>	<u>Applications per Specialty</u>	<u>Received Award</u>	<u>No Award</u>	<u>Percent No Award</u>
Special Education												
K-6 & 7-12 Multi-categorical Resource (Instructional Strategist I)	209	134	75	35.9%	213	146	67	31.5%	199	154	45	22.6%
K-6 & 7-12 Behavior Disorders (Instructional Strategist II LD-BD)	64	29	35	54.7%	42	19	23	54.8%	36	24	12	33.3%
K-6 & 7-12 Multi-categorical Special Class with Integration (Instructional Strategist I)	67	43	24	35.8%	77	50	27	35.1%	85	62	23	27.1%
K-12 Moderate/Severe/Profoundly Handicapped (Instructional Strategist II MD)	37	23	14	37.8%	30	17	13	43.3%	18	8	10	55.6%
K-6 & 7-12 Learning Disabilities (Instructional Strategist II LD-BD)	64	41	23	35.9%	44	24	20	45.5%	34	18	16	47.1%
K-6 & 7-12 Mental Disabilities (Instructional Strategist II MD)	35	22	13	37.1%	18	8	10	55.6%	22	14	8	36.4%
Pk-K Early Childhood Special Education	67	29	38	56.7%	40	19	21	52.5%	32	22	10	31.3%
Birth to 21 Itinerant Hearing Impaired	3	1	2	66.7%	3	3	0	0.0%	5	2	3	60.0%
Birth to 21 Itinerant Visually Impaired	2	0	2	100.0%	3	0	3	100.0%	4	1	3	75.0%
K-6 Physically Handicapped	0	0	0	0.0%	8	5	3	37.5%	11	5	6	54.5%
Regular												
K-12 English as a Second Language (ESL)	35	18	17	48.6%	25	15	10	40.0%	24	16	8	33.3%
7-12 Mathematics	106	69	37	34.9%	94	67	27	28.7%	113	92	21	18.6%
7-12 Industrial Technology	34	25	9	26.5%	29	19	10	34.5%	22	17	5	22.7%
7-12 Science (All Physical Sciences)	83	50	33	39.8%	82	55	27	32.9%	65	52	13	20.0%
K-12 Talented & Gifted (TAG)	31	9	22	71.0%	3	0	3	100.0%	9	4	5	55.6%
K-6 & 7-12 Music	74	48	26	35.1%	74	57	17	23.0%	68	56	12	17.6%
7-12 Foreign Language	33	19	14	42.4%	37	27	10	27.0%	33	25	8	24.2%
7-12 Agriculture	12	6	6	50.0%	5	3	2	40.0%	2	0	2	100.0%
7-12 Family & Consumer Science	18	7	11	61.1%	20	11	9	45.0%	10	7	3	30.0%
K-6 & 7-12 School Media Specialist	96	60	36	37.5%	15	1	14	93.3%	2	2	0	0.0%
K-6 & 7-12 Counselor	85	40	45	52.9%	90	57	33	36.7%	69	55	14	20.3%
PK-6 & 7-12 Principal	0	0	0	0.0%	57	14	43	75.4%	28	16	12	42.9%
Unduplicated Applications	885	532	353	39.9%	829	498	331	39.9%	719	510	209	29.1%

Note: Applicants may check many areas of interest. Therefore the sum of each column represents the total number of areas checked.

The unduplicated number of applications is the total of all applications is shown below each column.

In 2005 - 2006 there were 719 applications, and 510 awards with 209 (29.1%) receiving no award.

The 2005 - 2006 data are preliminary.

The calculation of Iowa teacher shortage areas includes the FTE teaching positions in Iowa, number of conditional licenses issued and number of advertised openings and the number of anticipated graduates reported by colleges of education.

The shortage areas are determined by the Iowa Department of Education.

Teacher Shortage Forgivable Loans
Characteristics of 2005 - 2006 Non-funded Awards

	<u>Number</u>	<u>Percent</u>
Declined the award	50	23.9%
Not certified by college or university*	102	48.8%
Current year refunds	9	4.3%
Late application	48	23.0%
Total	209	100.0%

* Includes applicants who fall outside the award parameters, but otherwise may be seeking study opportunities in educational fields.

Iowa Tuition Grant Policy Study
 IPEDS Undergraduate Graduation Rate 2003 - 2004

Institution	Graduation Rate
Iowa State University	66.5%
University Of Iowa	66.2%
University Of Northern Iowa	64.2%
Unweighted Average	65.6%
AIB College Of Business	54.0%
Allen College	47.1%
Briar Cliff University	52.2%
Buena Vista University	61.6%
Central College	68.6%
Clarke College	66.0%
Coe College	65.2%
Cornell College	64.9%
Dordt College	67.8%
Drake University	70.0%
University Of Dubuque	35.7%
Faith Baptist Bible College	54.2%
Graceland University	51.8%
Grand View College	36.0%
Grinnell College	88.3%
Iowa Wesleyan College	34.1%
Loras College	69.0%
Luther College	76.1%
Maharishi University Of Management	41.3%
Mercy College	60.0%
Morningside College	58.6%
Mount Mercy College	66.5%
Northwestern College	57.4%
St. Ambrose University	59.3%
Simpson College	66.0%
St. Luke's College	31.6%
Upper Iowa University	49.3%
Waldorf College	48.6%
Wartburg College	72.0%
William Penn University	21.1%
Unweighted Average	56.6%
Des Moines Area Community College	31.6%
Eastern Iowa Community College District	26.7%
Hawkeye Community College	38.0%
Indian Hills Community College	50.6%
Iowa Central Community College	40.2%
Iowa Lakes Community College	47.5%
Iowa Western Community College	34.2%
Kirkwood Community College	29.9%
Marshalltown Community College	32.7%
North Iowa Area Community College	38.8%
Northeast Iowa Community College-Calmar	33.0%
Northwest Iowa Community College	58.1%
Southeastern Community College	40.1%
Southwestern Community College	48.0%
Western Iowa Tech Community College	27.7%
Unweighted Average	38.5%
Ashford University	36.3%
Hamilton College	42.4%
Kaplan University	52.6%
Unweighted Average	43.8%



IOWA COLLEGE STUDENT AID COMMISSION

A Longitudinal Study of Iowa Scholarship and Grant Recipients

November 2003

Keith Greiner, Ed.D.
Research Director
Iowa College Student Aid Commission
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*www.IowaCollegeAid.org
Your Financial Aid Connection*

A LONGITUDINAL STUDY OF IOWA SCHOLARSHIP AND GRANT RECIPIENTS

November 2003

Executive Summary

This summary describes the findings of a study that matched Iowa student aid program records with employment, and income data and compared the matched data with U. S. Census reports. The purpose was to determine the relationship between student assistance and post-graduation economic success. Findings demonstrate patterns of income for program recipients across 17 years of their careers.

Following are highlights of the findings.

Income Patterns

1. Income for State of Iowa Scholars, Iowa Tuition Grant and Vocational-Technical Tuition Grant recipients is substantially greater than the estimates for individuals with high school diplomas across all 17 years of the study timeframe.
2. State of Iowa Scholars have the largest growth in income over the 17 year period, and have the greatest potential for above average earnings. In the fourth year after graduation, scholars in the study had average incomes that were 60% greater than the statewide average.
3. Four-year college graduates earn substantially more than the average income over the course of 17 years in the job market. These include recipients of the Iowa Tuition Grant and the Iowa Grant: two programs that assist four-year college and university students. By the eighth year Iowa Tuition Grant recipients are earning 32% more than the average for the general population of age 28.
4. Vocational-Technical Tuition Grant recipient incomes exceed the statewide average during the first ten years after graduation, and have a distinct advantage over the average in the first four years in the job market.
5. Vocational-Technical Tuition Grant recipients' incomes exceed high school graduates by as much as 40%, in a pattern that continues to increase over the 17 year study period.

Introduction

Iowa student aid programs provide need-based assistance annually, to almost 25,000 residents seeking the benefits of a college education. Anecdotal reports and conversations with graduates suggest Iowa student aid programs help students earn a college degree. Census surveys show that college-educated Iowans earn substantially more than high-school graduates. Until now, there has been little objective measurement of the relationship between Iowa student assistance programs and earnings across a recipient's career. There has been no exploration of the patterns of recipient income during the early years of working life vs. mid-career. This study examined longitudinal data that shows how recipients of Iowa student aid funds fared in the working world from the first few years after college through approximately 17 years of working life. The primary comparative measurement was from wage data collected by the Iowa Department of Workforce Development, personal income collected by the Iowa Department of Revenue, and income reported on the 2000 U. S. Census. Together, these three sources of data compliment and corroborate one another to help us better understand the relationship between program assistance and longitudinal work earnings

Much of our collective knowledge about the impact of a higher education comes from reports by the U. S. Census. The U. S. Census reported in 2001 that a person with a college degree typically earned over \$48,000 annually while a person with only a high-school diploma earned close to \$25,000.

Education and Average Income United States, 2001

	<u>Average Income</u>
Less than high school graduate	\$16,234
High school graduate, including GED	\$24,885
Some college no degree	\$28,264
Associate degree	\$33,644
Bachelor's degree	\$48,892
Master's degree	\$63,205
Doctorate degree	\$86,036
Professional degree	\$96,779

Purpose and Scope of the Study

The purpose of the exploratory study was to determine the longitudinal impact of the Iowa scholarship and grant programs in terms of average and median

income. The study serves as a base-line for future studies of income as new programs are introduced and modifications are made to existing programs. Recipients of four programs included in the study were: State of Iowa Scholarship, Iowa Tuition Grant, Vocational-Technical Tuition Grant, and the Iowa Grant. Recipient information from current and past years, was matched with wage data from Iowa Workforce Development, and the Iowa Department of Revenue. Average incomes were calculated for the overall study groups and for recipients who benefited from the scholarships and grants for each of the past 17 years.

We found that State of Iowa Scholars have the greatest average recipient incomes, followed by Iowa Tuition Grant recipients and Vocational-Technical Tuition Grant Recipients. Iowa Grant recipient incomes were not included in the following chart because the grant had been available for only nine years at the time of the study. All of these averages are above the Iowa median income of \$28,360.

Comparison of Grant Recipient Incomes
with Iowa Median Incomes for 2000

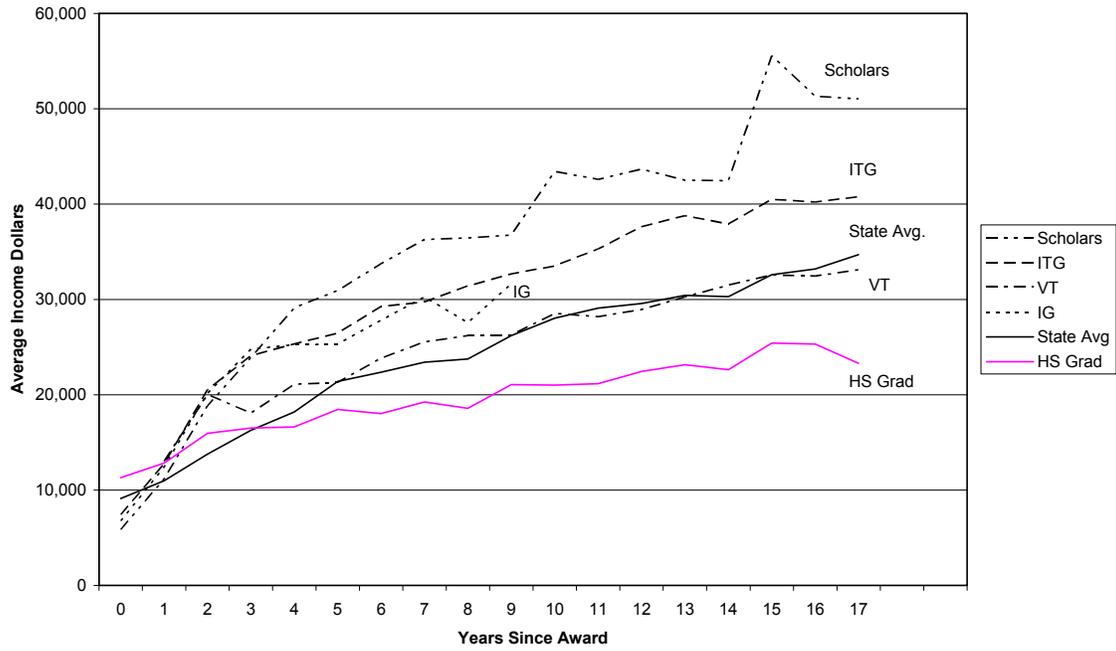
	<u>Average Income</u>
State of Iowa Scholars	\$42,046
Iowa Tuition Grant	\$34,934
Vocational-Technical Tuition Grant	\$29,303
Iowa Median	\$28,360

The following table and graph show longitudinal views of income for scholarship and grant recipients. The tables and graphs were derived from matches with Iowa Workforce Development data include individuals who received four awards for the four-year institutions and two awards for two-year institutions. They are aligned with a similar series of state average incomes based upon the age of individuals responding to 2000 Census surveys.

Average Income by Years Since Award
 Those Who Received Four Scholarships or Grants
 or Two Years for Voc-Tech Awards
 From Iowa Workforce Development Data

Last Award Year	Years Since Award	Average Income				
		Iowa Tuition Grant	Iowa Tuition Grant	Vocational Technical Tuition Grant	Iowa Grant	Selected State Average Incomes*
1999	0	5,853	7,408		6,759	9,107
1998	1	11,163	12,740	13,024	12,421	10,980
1997	2	18,823	20,530	20,020	20,168	13,769
1996	3	23,908	24,100	18,055	24,781	16,262
1995	4	29,095	25,334	21,087	25,246	18,193
1994	5	30,918	26,460	21,280	25,315	21,401
1993	6	33,732	29,253	23,821	27,807	22,369
1992	7	36,275	29,731	25,543	30,234	23,404
1991	8	36,457	31,413	26,208	27,558	23,747
1990	9	36,736	32,674	26,257		26,208
1989	10	43,415	33,501	28,529		28,044
1988	11	42,586	35,283	28,188		29,084
1987	12	43,668	37,645	28,926		29,575
1986	13	42,503	38,787	30,263		30,420
1985	14	42,437	37,915	31,498		30,288
1984	15	55,545	40,494	32,579		32,605
1983	16	51,308	40,218	32,448		33,177
1982	17	51,019	40,764	33,100		34,691

**Average Income of Past Recipients
1999**



A Longitudinal Study of Iowa Scholarship and Grant Recipients

Iowa College Student Aid Commission

Presentation by
Keith Greiner, Ed.D.
Mid-America Association for Institutional Research
November, 2003

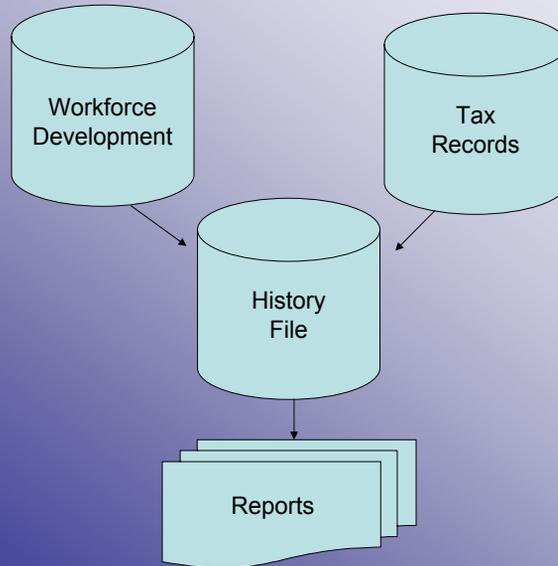


Exploratory Research Question

- What can we learn about the status of Iowa scholarship and grant recipients in the workforce?
- Data sources:
 - Historical scholarship and grant files
 - Iowa Workforce Development wage files
 - Department of Revenue tax files



Process



Longitudinal Models

- Track a cohort of individuals
- Snapshot of all individuals at one point in time

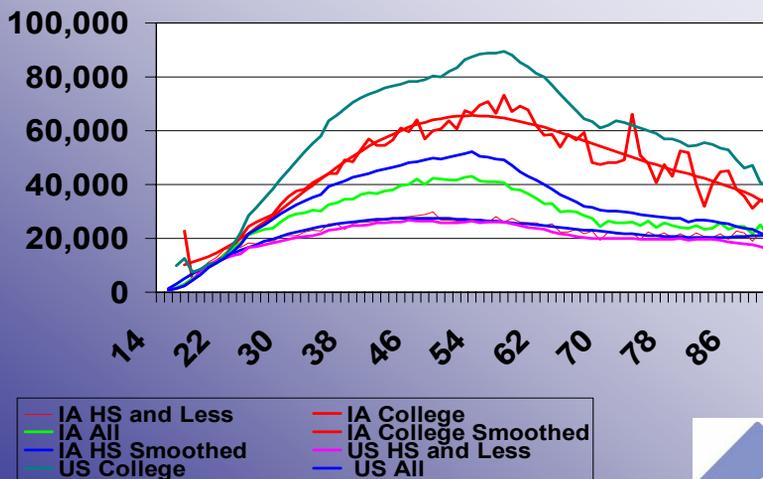


Iowa Programs

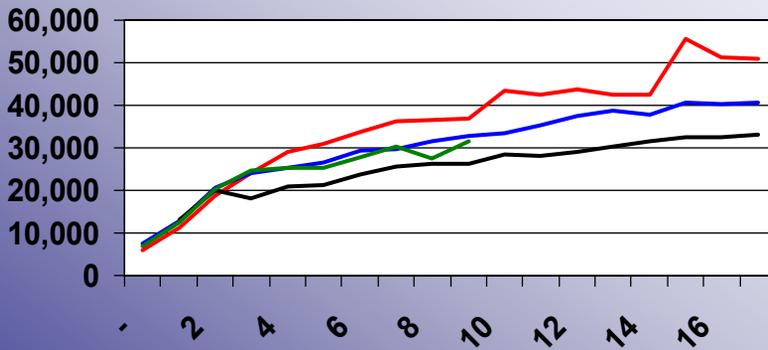
- State of Iowa Scholarship
 - Outstanding HS Scholars
- Iowa Tuition Grant
 - Four-year independent colleges and universities
- Iowa Grant
 - All public and independent institutions
- Vocational-Technical Tuition Grant
 - Community college vocational students



Lifetime Income Patterns



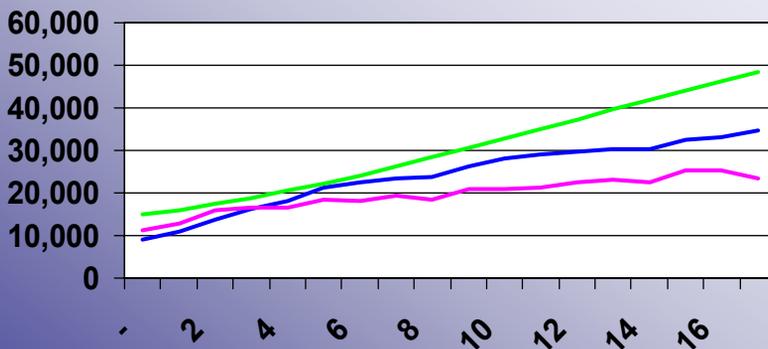
Iowa Recipient Income Patterns



— Scholars — ITG — VT — IG



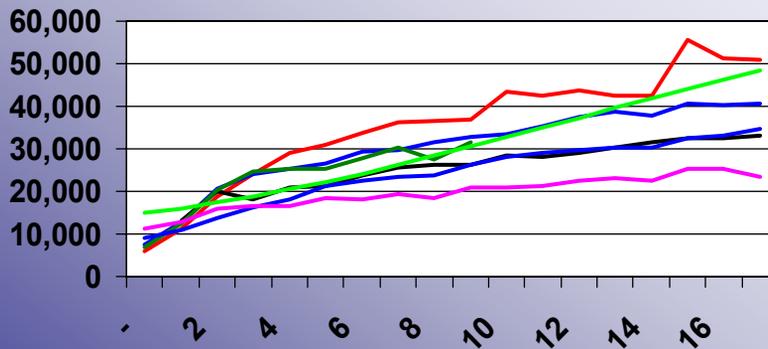
Iowa Income Patterns



— State Avg — HS Grad — Col. Grad

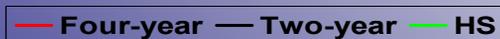
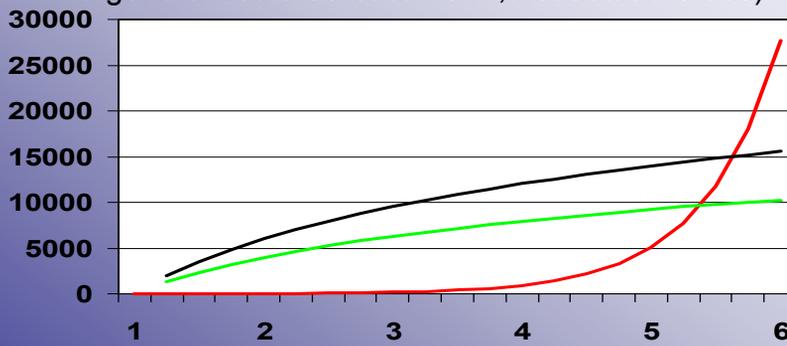


Iowa Recipient/Resident Income Patterns



Theoretical Relationship

(Income numbers represent a generalized theoretical form, not actual values)



Future Research

- Migration patterns
- Incorporate nationwide database
- Develop ROI Models
- Examine causality

